REMARKS/ARGUMENTS

Reconsideration of this application is respectfully requested.

The rejection of claims 1-10 under 35 U.S.C. §102 as allegedly anticipated by Lim '229 is respectfully traversed.

The Examiner's discussion of applicant's claimed invention omits any mention of the requirement found in the last lines of both independent claims 1 and 7. Namely, applicant limits the amount by which a region of interest may be changed between frames so as to be equal to or below a maximum step amount. By thus restricting the amount by which a region of interest is permitted to change between frames, the user's perception of the resulting video is improved.

By contrast, Lim merely decides whether a macro-block is to be changed or not changed. If it is sufficiently similar to a corresponding block in the preceding frame, then Lim simply permits the old macro-block to be re-used. There does not appear to be any teaching or suggestion in Lim of permitting an adjusted macro-block boundary to fall somewhere between the old and the new region of interest boundaries. Either no change at all is made or a complete change to the new detected region of interest boundary is made all in one jump -- without regard to any possible maximum step change amount.

The Examiner's reference to the "threshold" value utilized at Lim's step 40 is explicitly used only to determine whether or not the coding process of the pixel value for the macro-block is to be executed or not (e.g., see block 40 at Fig. 1).

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If the Examiner believes that there is some teaching or suggestion in Lim of

limiting a change in macro-block dimensions to some maximum step amount, then it is

respectfully requested that such be more particularly pointed out.

The Examiner has also failed to provide any specific comment with respect to

rejected claims 2-5 and 9. The Examiner's attention is specifically drawn to the

additional features introduced by dependent claims 2-5. For example, claim 5 actually

requires different maximum step amounts to be set for different sections or groups of

section with possible dependence upon whether the modification is away from or towards

the center of the video frame and/or whether a particular condition has been met or not,

etc.

Accordingly, this entire application is now believed to be in allowable condition

and a formal Notice to that effect is respectfully solicited.

Respectfully submitted,

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